

Memorandum



Date: May 15, 2007

To: Honorable Chairman Bruno A. Barreiro
and Members, Board of County Commissioners

B&F
Supplement to
Agenda Item No. 3(G)

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "G. Burgess", written over the printed name of George M. Burgess.

Subject: Supplemental Report to Award Contract No. Q98: Homeland Security Consulting Services

This supplemental report provides additional background information regarding the recommendation to award the referenced contract to Tetra Tech, Inc. to procure homeland security consulting services for General Services Administration (GSA). This report addresses the purpose and need for the requested services, costs and funding for anticipated projects, as well as the relationship of the selected proposer and the company recently named in arbitration proceedings with the Port of Miami (POM).

The contract amount in the award recommendation for the initial three year term is set as a maximum ceiling to cover the currently projected costs of identified projects and needs. Projects will be assigned via work orders, based on need and the availability of funding. The projects fall within three general categories, listed in their order of importance, with an estimated total contract allocation identified for each:

- (1) Integrated Command Facility Project (conversion of existing County building). \$4,517,000
- (2) A series of priority projects to identify vulnerabilities and design security, survivability and interoperability solutions for critical County facilities, systems and infrastructure. Through the design and implementation of these projects, a consistent set of goals, principles and policies will be put in place (Master Plan) that will guide the planning, design and implementation of all future County capital improvement projects. Initial priorities include projects affecting the County's Downtown Government Center complex, Civic Center Complex, IT and radio communications infrastructure, and integrated building environmental and security control infrastructure. \$4,311,000
- (3) A series of projects to conduct threat and consequence analyses, identify security vulnerabilities, and develop technology-based security protection alternatives, all with the purpose of (a) improving the overall safety and security of County facilities, (b) reducing annual operating expenditures for County and private security staff, and (c) tying in the communication of key facility data with the incident-response command systems at the County's Integrated Command Facility. Projects at this level will typically be significantly smaller in individual value than the prior categories. Moreover, many will be subsidized wholly or in part by the long-term savings accrued in future security personnel expenditure reductions. Projects could include less critical County office buildings, neighborhood and community centers, Miami-Dade Housing developments, police and fire stations, libraries, maintenance shops, fueling sites and remote sites such as radio towers and landfills. \$ 999,000

TOTAL REQUESTED CONTRACT ALLOCATION: \$9,827,000

Note: The award recommendation will be amended to reflect this amount.

Additional Information

Initially scheduled for consideration at the April 10, 2007 Budget and Finance Committee meeting, staff requested that the item be deferred in order to more thoroughly address a number of questions raised by Board members and their staff prior to that meeting. The responses to those questions are summarized below.

- ***Is this work necessary?***

Yes, this work is necessary. The \$2.9 billion Building Better Communities General Obligation Bond Program (BBC) includes \$184 million in allocations for facility construction/renovation and infrastructure improvement projects managed by GSA. Other capital development programs such as the People's Transportation Plan include major facility construction allocations. The Office of Emergency Management (OEM) advises that the County has a pending request for over \$32 million in Urban Area Security Initiative grants from the U.S. Department of Homeland Security. Applications for millions more in disaster mitigation and/or homeland security funding have been submitted to other sources. All of these projects must be planned, designed and constructed with coordination and interconnection. Given the state of world events, and the potential for those events to directly impact critical urban communities such as Miami-Dade, together with the area's annual potential for being seriously impacted by a hurricane or other natural disaster, the need to strengthen the security, survivability, and interoperability of County systems and infrastructure has never been greater.

GSA operates many of the County's most critical facilities. These include administrative office towers that serve as hubs for critical government service delivery; the seats of government for the local legislature, chief executive, and judiciary; government technology centers, regional and branch court facilities; utility plants, the County Morgue, among others. With millions of dollars allocated from various bond programs and other funding sources for the upgrade of these facilities, and the construction of new facilities, GSA has taken the initiative to coordinate the development and issuance of the contract, recommended herein, that will provide an essential benefit to County agencies. The beneficiary agencies include, but are not limited to, Miami-Dade Police (MDPD), Miami-Dade Fire Rescue, OEM, the Enterprise Technology Services Department (ETSD), Public Works and the 311 Answer Center. This contract provides us with an important tool to make our buildings and infrastructure more secure, more technologically sound, reliable and interconnected, and will significantly enhance operational capabilities during and following catastrophic events.

Since 2002, the County has applied for over \$708 million in state and federal homeland security-related grants. Of that amount, approximately \$151 million has been received over the past four years. The services provided by this contract will considerably improve the County's position in securing grants from these sources, by placing these project requests into the context of a Countywide Security Master Plan, and by providing fully developed improvement plans (including up to 30 percent design) for each project.

- ***Can County staff provide these services?***

The County does not have in-house staff with the expertise and specialized skill set required to perform this work. The following considerations were carefully evaluated in determining the need for the contract services:

- The manpower requirements do not support full-time staff. The duration of the need for these services is anticipated to be limited – from less than three years to a maximum of five years, depending upon the availability of funding for individual assignments (work orders). In addition, some staff will work on only one project (e.g., Integrated Command Facility), and will not be required again. Others may work on multiple projects that may or may not be able to be implemented in close sequence to one another (i.e., there may be gaps in timing of work). In either case, once the work, or a particular phase of the work, is completed, there will be no further need for these very specialized, unique and costly services. Expecting to attract such specialists to the County for limited-duration projects is not realistic.
 - It is essential that a substantial number of professional staff be available to meet the broad scope of services and abbreviated timeframes for some of the projects. Many of the projects require that a number of different disciplines be brought in at various intervals to work both independently and collectively. Expertise and/or disciplines required include: threat and vulnerability assessment; physical protection systems planning, design and implementation; physical plant and systems survivability; facilities conversion design; continuity of operations planning (COOP); information security and IT protection planning; building and landscape architecture; civil, traffic, fire protection, environmental, electrical, infrastructure, mechanical, IT, and structural engineering; three-dimensional photorealistic modeling and CADD design; GIS mapping and land surveying; and site planning. All of the individuals employed on these projects will have to be highly experienced in applying the principles of their various disciplines within the context of designing secure, survivable, and interoperable systems.
- ***Does approval of this contract obligate the County to expend the entire contract allocation?***

Approval of the contract does not obligate the County to expend the entire allocation. This is a blanket consulting contract, with the work to be performed over a three to five-year period. The allocation provides a cap on total contract utilization. The work is authorized on a project-by-project basis, only as funding is identified (e.g., through capital projects and departmental operating budget authorizations). The contract allocation was established using a rough estimate of the cost of specific projects. During the contract term, as projects are implemented, community conditions change, and security needs evolve, funding availability is likely to change as well to meet those circumstances. This is also likely to result in some shifts in project priority. The structure of the contract provides flexibility, but its use will be restricted by the availability of authorized funding.
 - ***Is the projected work fully funded at present?***

The proposed contract is not fully funded in this fiscal year. Please see explanation above regarding multi-year nature of contract.

 - **Category 1** funding (i.e., for the Integrated Command Facility Conversion) will be provided through a pro rata share of People's Transportation Plan funding (Public Works' portion of the facility), the Capital Outlay Reserve and future Sunshine State financing. Debt service for the financing share of costs will be funded by future rent payments supported by the general fund or internal service charges.

- **Category 2** projects will be implemented over the life of the contract as funding becomes available. Funding for some projects is immediately available from existing GOB projects (e.g., the Fire/Life Safety and Building Environmental Controls Systems Upgrade for the Downtown Government Center, and the Security Operations Center Improvement Project). GSA has specifically earmarked \$1.5 million in FY06-07 and FY07-08 departmental operating reserves for other Category 2 projects. An additional \$1 million in Urban Area Security Initiative grant funding is expected to be approved and available for further project implementations. The remainder of the projects in Category 2 will be performed as funding is identified over the term of the contract, likely beyond FY07-08.
- **Category 3** projects are less expensive projects, and are expected to be funded through departmental operating funds, or through savings achieved from reductions in security expenses (e.g., avoided payments to security guard vendors for personnel eliminated by technology improvements).
- ***Does this contract duplicate the work of earlier security consulting projects?***

There is no duplication of effort or expense associated with the work orders to be issued under this contract. There have been a number of consulting contracts performed through the years since September 11, 2001, for a variety of County departments, including OEM, GSA, Port of Miami, Miami-Dade Aviation, ETSD, Miami-Dade Water and Sewer, and MDPD, among others. Purposes range from the performance of facility vulnerability assessments to infrastructure analyses, and various training exercises. To the extent that the information garnered in those earlier efforts is applicable to the work to be performed under this contract, the data will be made available to the consultants, and their work will be monitored to ensure that they do not charge the County for performing beyond the bare minimum required for each work order to be effectively and efficiently carried out, and to avoid unnecessary work.
- ***What is the relationship of the firm recommended for the award herein with the company recently named in arbitration proceedings with the Port of Miami?***


This award recommendation is to Tetra Tech, Inc. After the recommendation was filed, an inquiry was received regarding arbitration proceedings between the Port of Miami and Tetra Tech FW, Inc. before the American Arbitration Association. In December 2001, the Port contracted with P&O Ports Florida, Inc. (P&O) as the master developer to provide design and construction services needed for the Ports infrastructure improvement program. P&O subsequently hired Foster Wheeler Environmental Corporation for professional design services. Around February 2003, Foster Wheeler was acquired by Tetra Tech and became Tetra Tech FW, Inc. (now Tetra Tech EC, Inc.). P&O's rights in the subject contract were later assigned to the County when P&O was removed from its role as the County's agent.

The arbitration is a result of a claim made by Tetra Tech FW, Inc. concerning disputes over rates, scope change requests by POM, reimbursable expenses, and interest. The County has responded to the claim essentially denying the assertions and claiming escalated design costs were due to the performance of the contractor, including rejected designs. Furthermore, the County has filed a counter claim. The arbitration is ongoing and has not been settled as of the date of this memorandum.

Tetra Tech, Inc. has indicated that Tetra Tech FW, Inc., while an operating unit of Tetra Tech, Inc., is its own separate company. The work required under the recommended Homeland Security Consulting Services contract will be performed by other operating units of the firm (primarily Tetra Tech EEC) and will not be connected to, nor performed by, any personnel from,

Tetra Tech FW, Inc. The County has checked references for Tetra Tech, Inc., Tetra Tech EEC, Inc. and/or its subcontractors for work performed for the Port, OEM and GSA as well as work performed for non-County clients, and has confirmed high quality performance delivery on projects for services similar to those required to be provided through this contract. Some of Tetra Tech, Inc.'s related projects include:

- U.S. Department of Homeland Security Headquarters (Security Command Center)
- Metropolitan Transit Authority (Physical Security Upgrades)
- U.S. Capitol Police Force (Joint Security Command Center, Communications Control Center, Chief's War Room, Security Command Center, and NASA and Air Force Space Command/Security Command Center/Main Launch Complex)
- U.S. General Services (Federal Office Building)
- State of Delaware (Statewide Facility Assessment - Department of Corrections, and Feasibility Studies and Master Planning - Department of Services for Children, Youth and Families)



Assistant County Manager